

documents to find and certify, as required by section 4 of the RE Act (7 U.S.C. 904), that the security for the loan is reasonably adequate and the loan will be repaid within the time agreed.

(b) RUS requires borrowers to take such actions as may be necessary to establish rates for electric service which are sufficient to pay the principal of and interest on the loans made or guaranteed by RUS in a timely manner and to meet the requirements of the RUS documents.

(c) With respect to borrowers whose rates are not regulated by a State Regulatory Authority, RUS requires that such borrowers establish rates and to obtain RUS approval of such rates as required by the RUS documents.

(d) To protect Federal interests, including without limitation the ability of the borrower to repay RUS loans, RUS's policy is to exercise, pursuant to the RUS documents, exclusive jurisdiction over the rates for electric service charged by a borrower by or against whom a case under the Bankruptcy Code of 1978, as amended, has commenced.

#### § 1717.352 Definitions and rules of construction.

(a) *Definitions.* For the purpose of this subpart, the following terms shall have the following meanings:

*Administrator* means the Administrator of RUS.

*Bankruptcy code of 1978, as amended,* means the Bankruptcy Reform Act of 1978, as amended (11 U.S.C. 101 *et seq.*).

*Borrower* means any organization which has an outstanding loan made or guaranteed by RUS for rural electrification.

*RE Act* means Rural Electrification Act of 1936, as amended (7 U.S.C. 901 *et seq.*).

*REA* means the Rural Electrification Administration formerly an agency of the United States Department of Agriculture and predecessor agency to RUS with respect to administering certain electric and telephone loan programs.

*RUS* means the Rural Utilities Service, an agency of the United States Department of Agriculture established pursuant to Section 232 of the Federal Crop Insurance Reform and Depart-

ment of Agriculture Reorganization Act of 1994 (Pub. L. 103-354, 108 Stat. 3178), successor to REA with respect to administering certain electric and telephone programs. See 7 CFR 1700.1.

*RUS documents* means the RUS loan contract, RUS mortgage and, if the Borrower is engaged in the wholesale sale of electric power and energy to members pursuant to RUS Wholesale Power Contracts, the RUS Wholesale Power Contract.

*RUS loan contract* means the agreement, as amended, supplemented, or restated from time to time, between a borrower and RUS providing for loans made or guaranteed pursuant to the RE Act.

*RUS mortgage* means the mortgage and security agreement, as from time to time supplemented, amended and restated, made by and among the borrower, RUS, and, if a party thereto, third party lenders, or any other form of mortgage or security instrument or indenture of mortgage and deed of trust, securing the payment of outstanding loans made or guaranteed by RUS and other lenders.

*RUS wholesale power contract* means the contract for the wholesale sale of electric power and energy between a power supply borrower and its member as approved by RUS.

*Secured loans* shall mean outstanding loans secured pursuant to the RUS mortgage.

*State regulatory authority* means any state board or local governing body having jurisdiction under state law to regulate, or in any way, approve the electric rates charged by a borrower.

(b) *Rules of construction.* Unless the context shall otherwise indicate, the terms defined in § 1717.352(a) hereof include the plural as well as the singular, and the singular as well as the plural. The words "herein," and "hereunder", and words of similar import, refer to this subpart as a whole. "Includes" and "including" are not limiting and "or" is not exclusive.

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#### § 1717.353 Requirements of RUS documents.

Each borrower shall establish and adjust rates for electric service as set